



February 11, 2004

The Hartley County Harvester

Hartley County FSA
District 1
PO Box 177
Hartley, TX 79044-0177

Voice: (806) 365-4453
FAX: (806) 365-4446

Hours:
Monday-Friday
8:00 AM – 4:30 PM

County Committee:
Joe Parker
Jason Schniederjan
Bud Snead

Minority Advisor:
Babette Spinhirne

Farm Program Staff:
Glen Clugy, CED
Becky Brown, PT
Becky Voight, PT
Teresa Gates, PT

Farm Loan Staff:
(Dalhart Office)
Marc Lathem, FLM
Barbara Koch, PT

Regular Committee Meetings
held on the 3rd Wednesday of
each Month.

Dates to Remember

**February 16th – Office
Closed for President's
Day**

**March 1st – Final Date to
Purchase NAP
Coverage for 2004
Alfalfa Hay and
Sunflower Crops**

**March 15th – Final Date to
Purchase NAP
Coverage for 2004
Forage Sorghum
Crops**

On the World Wide Web:

USDA Washington Office
www.usda.gov

FSA Washington Office
www.fsa.usda.gov

FSA Outreach
www.fsa.usda.gov/outreach

Texas State FSA Office
www.fsa.usda.gov/tx

Hartley FSA
www.fsa.usda.gov/tx/tx205



Fruit & Vegetable Plantings

If you are planning on planting fruits and/or vegetables in 2004 on a farm enrolled in the DCP Farm Program, you may want to contact this office prior to planting the crop or entering into a contract to produce the crop. Under the provisions of DCP, participating producers are restricted from growing a fruit and/or vegetable crop on base acres unless:

- the farm has an established history of producing fruits or vegetables,
- the producer has an established history of producing the specific fruit or vegetable, or
- the fruit or vegetable acres are planted following or before a program crop with reasonable expectation that both crops can be planted and harvested within a 12-month period.

Fruit & vegetables can be produced on non-base acres on a DCP enrolled farm or under the double-cropping provisions without the assessment of penalties and/or payment reductions, however; if they are produced using the Producer or Farm History exemption, an acre-for-acre reduction in the farm's 2004 DCP payments will be assessed.

Additionally, producers who plant a fruit or vegetable crop and intend to use the double-cropping exemption should contact this office to ensure the practice for the specific crops has been approved by the County Committee. Crops that qualified as double-cropping in 2003 may not qualify in 2004.

2004 DCP Sign-Up

Sign up for the 2004 DCP began Oct. 1, 2003. If you have not already done so, contact the county office staff to schedule an appointment to enroll your farm. When updating the 2004 contract, you may elect to receive your advance direct payments any time through September 2004.

2004 Program Information

- Farm Changes – report any farming operation changes so that we can keep your records current. This includes changes in land ownership, tenants or crop share arrangements.
- Plan to update your payment limitation documents and other program eligibility records starting in October 2004.
- Reconstitutions – changes that require farm reconstitutions should be reported as soon as possible so we can update your records prior to 2004 DCP sign up.

Payment Eligibility/Limitations

Producers are reminded that no program benefits may be made until the FSA office has made all the necessary payment limitation and eligibility determinations. Producers will remain ineligible until all the required forms that include information pertaining to their farming operations are provided to the office. The FSA county committee or the producer may initiate the payment limitation and payment eligibility determinations. If the producer requests the determination, the request may be filed anytime before the final date for submitting form CCC-502 (Farm Operating Plan for Payment Eligibility Review).

“Person” Determination Rules

A "person" for payment limitation purposes may be an individual; a limited liability partnership; a limited liability company; a corporation; a joint stock company; an association; a limited stock company; a limited partnership; an irrevocable trust; a revocable trust together with the grantor of the trust, an estate; a charitable organization; and a State, political subdivision, or agency thereof. For an individual or entity to be considered a separate "person," the individual or entity must have a separate and distinct interest in the land or crop involved, exercise separate responsibility for this interest, and maintains funds or accounts separate from that of any other individual or entity for this interest. Spouses may be considered separate "persons" for payment limitation purposes if this determination is requested and all the applicable requirements to be determined a "person" are met.

The status of an individual or entity on April 1 of the applicable program year is the basis for determining the number of "persons" for payment limitation purposes for that year. Actions taken by an individual or entity after that date to increase the number of "persons" will not be recognized for the current program. For example, if an individual holds more than 50 percent interest in a corporation, as of the status date, the individual and entity will be considered one "person" for the applicable year.

Holiday

This office will be closed on Monday, February 16th for President's Day. We will reopen at 8:00 a.m. on Tuesday, February 17th.

Payment Limitations

For payment limitation purposes, each “person” can receive FSA benefits up to the limits below for each listed program.

Program	Payment Limitation
DCP	\$40,000 Direct Payments \$65,000 Counter-Cyclical Payments
LDP & Market Gains	\$75,000 per crop year
CRP	\$50,000 per fiscal year
NAP	\$100,000 per crop year
EQIP	\$450,000 through life of Farm Bill

Not-Actively Engaged Determinations

Any producers determined to be “Not Actively Engaged in Farming” will be ineligible for most all USDA payments. This includes DCP, gains from marketing loans and loan deficiency payments, CRP annual rental payments, disaster assistance or emergency payments, and any payment or benefit requiring a determination of “actively engaged in farming.”

“Permitted-Entity” Rules

Producers receiving FSA benefits are reminded that they can receive payments as an individual (includes individual interests in general partnerships and joint ventures) and two additional entities such as a corporation, limited partnership, etc. Individuals with direct or indirect interest in more than the 3 farming operations must elect which farming operations will receive benefits by completing a permitted entity designation form.

Statutory provisions require that all entities--individuals, partnerships, joint operations, corporations, trusts, etc.--provide the names, addresses and ID numbers of the entity’s members to the county committee. Also, entities must inform their members of the requirement for designating “permitted entities” for payment purposes.

Payment Eligibility/Limitation Spot-Checks

CCC-502s (Farm Operating Plan for Payment Eligibility Review) and related forms, are subject to spot check through our end-of-year review process. If selected for a spot check, producers will be asked to submit proof of their contribution to the operation such as seed, fertilizer and chemical bills, land lease agreements, land contracts or property tax payments, equipment lists, cancelled checks for paid labor or hired management and any other items the FSA County Committee determine are necessary.

The producer is required to provide these documents for the spot check so that the FSA county committee can make a determination that the farming operation is actually being performed as was stated on the applicable CCC-501 or CCC-502 that was originally completed.

Complaint Process

After an FSA official makes a decision on your application or request for USDA programs or services, you will be sent a letter informing you of the decision and options you can pursue should you disagree.

Generally, program participants have three choices – an informal review with the original agency decision-maker, an opportunity for mediation or a formal appeal to the USDA National Appeal Division (NAD).

2004 Crop Loan Rates

Eligible commodities produced in 2004 may be pledged as collateral for a CCC-nonrecourse or recourse loan or can receive a loan deficiency payment if applicable.

The 2004 loan rates for Hartley County are:

Commodity	Loan Rate
Wheat	\$ 2.66 per bu.
Oats	\$ 1.43 per bu.
Barley	\$ 1.88 per bu.
Corn	\$ 2.66 per bu.
Sorghum	\$ 3.67 per cwt.
Soybeans	\$ 4.64 per bu.
Sunflowers	\$ 8.87 per cwt.

As additional loan rates are announced, they will be available at the FSA website at www.fsa.usda.gov/dafp/psd/LoanRate.htm.

Existing FSA Farm Loan Borrowers

It appears FSA may run short of loan funds again this year. Therefore, we encourage each of you to complete your 2003 farm records along with your 2004 farm plans and make an appointment with your loan officer as soon as possible. If you think you may have trouble making payments, there may be programs to assist in rescheduling or reamortizing your payment schedules.

Disaster Debt Set-Aside Program

When Farm Service Agency borrowers who are located in designated disaster areas or contiguous counties are unable to make their scheduled payments on their farm or farm loan debt; we are authorized to consider setting aside their payments to allow the operation to continue.

When the county in which a borrower farms or ranches is designated as a disaster area, or a contiguous county, by the President or Secretary, farmers or ranchers presently indebted to the agency, who may be eligible, are notified about the Debt Set-Aside Program. Borrowers who are notified have eight months from the date of designation to apply.

To be eligible, the borrower must be unable to pay all family living and farm operating expenses, payments to other creditors and payments to FSA as a direct result of the disaster. The borrower must have operated a farm or ranch in a county designated as a disaster area or in a contiguous county.

For more information on the Disaster Set-Aside Program, check out the fact sheet online at: www.fsa.usda.gov/pas/publications/facts/html/debtset02.htm

Civil Rights Complaint Process

Any person, class or group of persons may file a discrimination complaint within 180 days of an alleged discriminatory action. Complaints may be filed in writing or orally with the agency head, any designated agency official or the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C. 20250. Assistance in filing a complaint can be obtained by calling or visiting any FSA office.

If you have any questions about this newsletter or any FSA program, please come by this office or call us at (806) 365-4453 extension 2.